
SENATE BILL No. 448

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-8-8.

Synopsis: Health insurance for retired state employees. Reduces by 50% the percentage of premiums that certain retired state employees and elected officials must pay in order to participate in the retired state employee health insurance program.

Effective: July 1, 2005.

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January 13, 2005, read first time and referred to Committee on Health and Provider Services.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

SENATE BILL No. 448

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-10-8-8 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section applies only to
3 the state and employees who are not covered by a plan established
4 under section 6 of this chapter.

5 (b) ~~After June 30, 1986~~, The state shall provide a group health
6 insurance plan to each retired employee:

7 (1) whose retirement date is:

8 (A) after June 29, 1986, for a retired employee who was a
9 member of the field examiners' retirement fund;

10 (B) after May 31, 1986, for a retired employee who was a
11 member of the Indiana state teachers' retirement fund; or

12 (C) after June 30, 1986, for a retired employee not covered by
13 clause (A) or (B);

14 (2) who will have reached fifty-five (55) years of age on or before
15 the employee's retirement date but who will not be eligible on that
16 date for Medicare coverage as prescribed by 42 U.S.C. 1395 et
17 seq.;

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- (3) who will have completed twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement; and
- (4) who will have completed at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date.

(c) The state shall provide a group health insurance program to each retired employee:

- (1) who is a retired judge;
- (2) whose retirement date is after June 30, 1990;
- (3) who is at least sixty-two (62) years of age;
- (4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
- (5) who has at least eight (8) years of service credit as a participant in the Indiana judges' retirement fund, with at least eight (8) years of that service credit completed immediately preceding the judge's retirement.

(d) The state shall provide a group health insurance program to each retired employee:

- (1) who is a retired participant under the prosecuting attorneys retirement fund;
- (2) whose retirement date is after January 1, 1990;
- (3) who is at least sixty-two (62) years of age;
- (4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
- (5) who has at least ten (10) years of service credit as a participant in the prosecuting attorneys retirement fund, with at least ten (10) years of that service credit completed immediately preceding the participant's retirement.

(e) The state shall make available a group health insurance program to each former member of the general assembly or surviving spouse of each former member, if the former member:

- (1) is no longer a member of the general assembly;
- (2) is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the surviving spouse is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
- (3) has at least ten (10) years of service credit as a member in the general assembly.

A former member or surviving spouse of a former member who obtains insurance under this section is responsible for paying both the

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1 employer and the employee share of the cost of the coverage.

2 (f) The group health insurance program required under subsections
3 (b) through (e) must be equal to that offered active employees. The
4 retired employee may participate in the group health insurance program
5 if the retired employee:

6 (1) pays an amount equal to **fifty percent (50%)** of the
7 employer's and **fifty percent (50%)** of the employee's premium
8 for the group health insurance for an active employee; and

9 (2) ~~if the retired employee~~ within ninety (90) days after the
10 employee's retirement date files a written request for insurance
11 coverage with the employer.

12 ~~However,~~ The employer may elect to pay ~~any part more than fifty~~
13 **percent (50%)** of the retired employee's premium with respect to
14 insurance coverage under this chapter.

15 (g) Except as provided in subsection (j), a retired employee's
16 eligibility to continue insurance under this section ends when the
17 employee becomes eligible for Medicare coverage as prescribed by 42
18 U.S.C. 1395 et seq., or when the employer terminates the health
19 insurance program. A retired employee who is eligible for insurance
20 coverage under this section may elect to have the employee's spouse
21 covered under the health insurance program at the time the employee
22 retires. If a retired employee's spouse pays the amount the retired
23 employee would have been required to pay for coverage selected by the
24 spouse, the spouse's subsequent eligibility to continue insurance under
25 this section is not affected by the death of the retired employee. The
26 surviving spouse's eligibility ends on the earliest of the following:

27 (1) When the spouse becomes eligible for Medicare coverage as
28 prescribed by 42 U.S.C. 1395 et seq.

29 (2) When the employer terminates the health insurance program.

30 (3) Two (2) years after the date of the employee's death.

31 (4) The date of the spouse's remarriage.

32 (h) This subsection does not apply to an employee who is entitled
33 to group insurance coverage under IC 20-6.1-6-1(c). An employee who
34 is on leave without pay is entitled to participate for ninety (90) days in
35 any health insurance program maintained by the employer for active
36 employees if the employee pays an amount equal to the total of the
37 employer's and the employee's premiums for the insurance.

38 (i) An employer may provide group health insurance for retired
39 employees or their spouses not covered by this section and may provide
40 group health insurance that contains provisions more favorable to
41 retired employees and their spouses than required by this section. A
42 public employer may provide group health insurance to an employee

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1 who is on leave without pay for a longer period than required by
2 subsection (h).
3 (j) An employer may elect to permit former employees and their
4 spouses, including surviving spouses, to continue to participate in a
5 group health insurance program under this chapter after the former
6 employee (who is otherwise qualified under this chapter to participate
7 in a group insurance program) or spouse has become eligible for
8 Medicare coverage as prescribed by 42 ~~U.S.C.A.~~ U.S.C. 1395 et seq.
9 An employer who makes an election under this section may require a
10 person who continues coverage under this subsection to participate in
11 a retiree health benefit plan developed under section 8.3 of this chapter.

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